(b) if so, the salient features and details of the proposal?

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI MANIKRAO GAVIT): (a) The matter is under consideration of the Government.

(b) Details can be given after the final decision is taken.

Hike in cement price

†160. SHRI SATYAVRAT CHATURVEDI:
SHRI MOTILAL VORA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that cement companies have recently hiked the price of cement;

(b) if so, the details thereof;

(c) whether it is also a fact that cement companies had promised Government that they will not increase the price of cement for one year;

(d) whether it is also a fact that cement companies have also reduced the production of cement with a view to continue hike in the market;

(e) if so, what is the cost of production of cement *vis-a-vis* its sale-price; and

(f) the steps Government are taking to safeguard the interests of the consumers?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) and (b): As per Cement Manufacturers' Association, the average price of cement has increased from Rs. 158 per bag in December, 2005 to Rs. 229 per bag in July, 2007. The details of month-wise prices are given in the Statement *(See* below).

(c) Yes, Sir.

(d) No, Sir. The production of cement by large plants in 2006-07 stood at 155.66 million tonne registering a growth of 9.77% over the production in the previous year. The capacity utilization in the cement industry was 94% during 2006-07 and 98% during first quarter of this year.

(e) The details of cost of production are not maintained as it varies from company to company.

(f) Import duty on cement has been reduced from 12.5% to Nil. Countervailing duty and special additional customs duty on cement have also been removed. Further, MMTC Ltd., a Public Sector Enterprise, has been given a special dispensation to import cement under the provisions of Cement (Quality Control)

†Original notice of the question was received in Hindi.

Order, 2003 to enable early availability of significant quantities of imported cement in the market.

Statement

Details of month-wise prices of Cement

Year	Month	Average Price in Rs. per bag	Increase in Price since Dec,2005	Percentage increase in price since Dec, 2005
2005	December	158		
2006	January	163	5	3.2%
	February	175	17	10.8%
	March	189	31	19.6%
	April	199	41	25.9%
	May	200	42	26.6%
	June	201	43	27.2%
	July	201	43	27.2%
	August	201	43	27.2%
	September	202	44	27.8%
	October	205	47	29.7%
	November	208	50	31.6%
	December		51	32.3%
2007	January	209	51	32.3%
	February	212	54	34.2%
	March	225	67	42.4%
	April	226	68	43.0%
	May	226	68	43.0%
	June	227	69	43.7%
	July	229	71	44.9%